

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

**SECURITIES AND EXCHANGE  
COMMISSION,**

Plaintiff,

v.

**KENNETH W. CRUMBLEY, JR. and  
SEDONA OIL & GAS CORPORATION,**

Defendants.

**Civil Action No. 3:16-CV-0172-L**

**ORDER ON RECEIVER'S FINAL REPORT AND ACCOUNTING; FINAL FEE  
APPLICATION; AND MOTION FOR DISCHARGE**

This is a civil action brought by the Securities and Exchange Commission (“SEC”) for alleged violations of the federal securities laws. On February 21, 2016, the court issued an Order Appointing Receiver (Doc. 14), in which it appointed Becky McGee as Receiver for Defendant Sedona Oil & Gas Corporation (“Sedona Oil & Gas”) and Defendant Kenneth W. Crumbley, Jr. (“Crumbley”), in contemplation of the eventual return of assets to investors harmed by the misconduct alleged in the Complaint. On July 6, 2018, the court, following a hearing, entered its Order Approving Receiver’s Motion to (1) Approve Plan of Distribution; and (2) Terminate the Receivership and Discharge the Receiver. *See* Order (Doc. 80). Before the court is the Receiver’s Final Report and Accounting; Final Fee Application; and Motion for Discharge, filed October 31, 2018 (Doc. 84) (the “Final Fee Application and Motion for Discharge”). After careful consideration of the Receiver’s Final Fee Application and Motion for Discharge, including

Exhibits A and B thereto, the record, and applicable law, the court hereby **grants** the Receiver's Final Fee Application and Motion for Discharge. It is therefore:

**Ordered** that the Receiver is authorized to maintain the storage of Sedona Oil & Gas books and records as requested by the SEC *until such time as* the SEC informs the Receiver the books and records are no longer needed; it is further

**Ordered** that the Receiver is authorized to fulfill her remaining ministerial duties and maintain the Receivership bank account for the payment of the books and records storage and destruction after final notice by the SEC; it is further

**Ordered** the Receiver's Final Accounting is **approved**; it is further

**Ordered** that, to reduce administrative expenses, the Receiver is relieved from any further administrative responsibilities with respect to reporting, as required in the original Order Appointing Receiver; it is further

**Ordered** that, should the SEC's resolution of its Complaint against Defendant Crumbley result in sufficient funds that the Receiver believes a secondary distribution would be economically viable, that the Receiver is authorized to make a secondary distribution to the same investors identified in Classification No. 1 and 2; it is further

**Ordered** that if there are insufficient funds to make a secondary distribution economically viable, that the Receiver is authorized to remit any remaining Receivership funds to the SEC or to whichever governmental agency the SEC directs; it is further

**Ordered** that the Receiver's Final Fee Application is **approved**, and the Receiver is hereby authorized to pay: to the Receiver the sum of \$36,180 for fees for professional services rendered during the time period of April 1, 2018, to August 31, 2018; to LSS&M the sum of \$13,412.40 for

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professional services rendered and expenses incurred during the time period of April 1, 2018, to August 31, 2018; and to Munsch Hardt Kopf & Harr, P.C. the sum of \$26,964.47 for attorney's fees and costs for professional services rendered during the time period of April 1, 2018, to August 31, 2018.

As the Receiver has completed all her duties, and filed her final report and accounting, which the court has considered and approved, subject to those remaining ministerial duties specified above, the Receiver is hereby provisionally **discharged** from any and all further obligations, liabilities, or claims in regard to her duties as the court-appointed Receiver over Sedona Oil & Gas Corporation, Kenneth W. Crumbley, Jr., or any of their affiliates or related entities. Pursuant to paragraph 45 of the Order Appointing Receiver (Doc. 14), and the court's July 6, 2018 Order Approving Receiver's Motion to (1) Approve Plan of Distribution; and (2) Terminate the Receivership and Discharge the Receiver (Doc. 80), as the Receiver has submitted her final report and accounting and final fee application, which the court has considered and approved, the Receivership Estate is hereby **closed**, absent good cause shown.

**It is so ordered** this 3rd day of January, 2019.



Sam A. Lindsay  
United States District Judge